Message Text

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ACTION EB-03

INFO OCT-01 ARA-10 ISO-00 SP-02 AID-05 NSC-07 RSC-01

CIEP-01 TRSE-00 SS-14 STR-01 OMB-01 CEA-01 CIAE-00

COME-00 FRB-01 INR-10 NSAE-00 XMB-01 OPIC-02 LAB-01

SIL-01 L-02 H-01 TAR-01 INT-01 PA-01 PRS-01 USIA-04

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R 071914Z OCT 74 FM AMEMBASSY GEORGETOWN TO SECSTATE WASHDC 402 INFO AMEMBASSY KINGSTON AMCONSUL PARAMARIBO USIA WASHDC

LIMITED OFFICIAL USE GEORGETOWN 1792

E.O. 11652: N/A

TAGS: EINV, EMIN, GY

SUBJECT: GOG INTENSIFIES PRESS CAMPAIGN AGAINST REYNOLDS

REF: GEORGETOWN 1753

1. GOG PRESS (CHRONICLE AND GRAPHIC) FEATURED EIGHT ARTICLES ON REYNOLDS TAX ISSUE DURING WEEKEND (10/5-10/6).

BASIC THRUST OF ARTICLES IS FAIRNESS OF GUYANA'S CLAIM FOR HIGHER RETURNS FROM BAUXITE EXPLOITATION. MOST VITUPERATIVE EDITORIAL APPEARED FRONTPAGE OF SUNDAY CHRONICLE (10/6) ALLEGING INTER ALIA THAT USG PRESSURE INCLUDED GREATER DEGREE OF DENIAL OF VISAS TO GUYANESE APPLICANTS. EDITORIAL ATTEMPTS TO PORTRAY REYNOLDS AS GIANT OGRE WHOSE EXECUTIVES, NOW ABSENT FROM GUYANA, ARE QUOTE... SCREAMING DEFIANCE AND THREATENING US FAMINE AND PESTILENCE FROM THEIR SAFE ALUMINUM REDOUBT IN OLD VIRGINIA. UNQUOTE.

2. COMMENT: DESPITE RELATIVELY LIGHT COVERAGE OF REYNOLDS LIMITED OFFICIAL USE

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IN WORLD MEDIA, GOG IS TRYING TO CONVEY NOTION THAT ALLEYES ARE

FOCUSSED ON GUYANA, DURING THIS POOR, DEVELOPING COUNTRY'S STRUGGLE WITH A MIGHT FGE. IN ADDRESSING QUESTION OF NATIONALIZA-TION AND ITS RELATIONSHIP TO TAX, MINISTER OF ENERGY AND NATURAL RESOURCES HUBERT JACK STETED QUOTE THE WORLD AND REYNOLDS KNOW THAT WE ARE BEING CHEATED. WE HAVE A RIGHT TO IMPOSE THE TAXES AND REYNOLDS IS SEEKING TO LINK THIS QUESTION OF THE PAYMENT OF THE TAX WITH OUR NATIONALIZATION OF THE PLANTS. THEIR CONTENTION IS THAT ONCE WE HAVE DECIDED TO NATIONALIZE WE MUST ALLOW THEM TO CHEAT US UNTIL WE HAV NATIONALIZED: BUT ITS ALL A OUESTION OF PRINCIPLE. UNQUOTE. JACK'S REMARK PROBABLY CAPSULIZES THE PREVAILING OPINION HERE AMONG INTERESTED GUYANESE. ONCE THE PREMISE IS FIRMLY ESTABLISHED THAT REYNOLDS HAS FOR MANY YEARS UNJUSTLY EXPLOITED THIS IMPOVERISHED NATION, A TAX/NATIONALIZATION SCHEME PRESENTS ITSELF AS JUST, INDEED LOGICAL, AND ANY RIGHT MINDED PERSON CANNOT FAIL TO AGREE. SO GOES ARGUMENT HERE. THOSE WHO DO NOT RPT NOT ACCEPT ARGUMENT ARE HELD TO BE HANDFUL OF PRIVATE GUYA-NESE BUSINESSMEN AND OTHERS WHO ARE ABOUT TO LEAVE COUNTRBM

- 3. IN SEEKING WIDER FORA TO EXPRESS ITS RATIONALE GOG HAS TAKEN ADVANTAGE OF UNDP SUB-REGION MEETING WHICH IS BEING HELD IN GEORGETOWN THIS WEEK (10/7-10/9). IN ADDRESS TO GROUP JACK COMMENTED ON THE RIGHTS OF DEVELOPING COUNTRIES TO CONTROL THEIR NATURAL RESOURCES, AND WENT ON TO SAY QUOTE....IN ASSERTING THESE RIGHTS EITHER THROUGH AN EQUITABLE SYSTEM OF TAXATION, MEANINGFUL PARTICIPATION, OR NATIONALIZATION, WE ARE DOING NO MORE THAN TAKING STEPS TO ENSURE THAT A NEW INTERNATIONAL SYSTEM OF ECONOMIC RELATIONS IS BUILT ON THE ACCEPTANCE OF THE PRINCIPLE THAT THE RESOURCES FOR THE DEVELOPMENT OF DEVELOPING CONTRIES SHOULD NO LONGER DERIVE FROM THE VOLUNTARY CONTRIBUTIONS OF THE DEVELOPED WORLD, BUT FROM AN EQUAL SHARE IN THE GAINS OF A GLOBAL ECONOMIC SYSTEM, TO WHICH....WE IN THE DEVELOPING COUNTRIES ARE CONTRIBUTING AS MUCH AS THE DEVELOPED COUNTRIES. UNQUOTE:
- 4. COMMENT:ONCE AGAIN JACK IS APPEALING TO THOSE WHO RECOGNIZE A GREATER JUSTICE, ONE BEYOND TRADITIONAL INTERPRETATIONS OF PRIVATE PROPERTY RIGHTS. IN THIS RESPECT GOG HAS LARGE AUDIENCE. KREBS

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Message Attributes

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Concepts: BAUXITE, TAX LAW, NATIONALIZATION, PRESS COMMENTS, LEVIES

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TAGS: EINV, EMIN, GY, REYNOLDS, (JACK, HUBERT)

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